

**MINUTES of MEETING of ARGYLL AND BUTE COUNCIL held VIA SKYPE
on THURSDAY, 25 FEBRUARY 2021**

Present:

Councillor David Kinniburgh (Provost)

Councillor Jim Anderson	Councillor Roderick McCuish
Councillor John Armour	Councillor Yvonne McNeilly
Councillor Gordon Blair	Councillor Barbara Morgan
Councillor Rory Colville	Councillor Aileen Morton
Councillor Robin Currie	Councillor Gary Mulvaney
Councillor Mary-Jean Devon	Councillor Iain Paterson
Councillor Lorna Douglas	Councillor Alastair Redman
Councillor Jim Findlay	Councillor Alan Reid
Councillor George Freeman	Councillor Elaine Robertson
Councillor Audrey Forrest	Councillor Richard Trail
Councillor Bobby Good	Councillor Sandy Taylor
Councillor Kieron Green	Councillor Douglas Philand
Councillor Anne Horn	Councillor Andrew Vennard
Councillor Donald MacMillan BEM	Councillor Jean Moffat
Councillor Sir Jamie McGrigor	Councillor Jim Lynch
Councillor Julie McKenzie	Councillor Graham Hardie

Alison Palmer (Teacher
Representative)

Margaret Anderson (Religious
Representative)

Attending:

Pippa Milne, Chief Executive
Douglas Hendry, Executive Director
Kirsty Flanagan, Executive Director
David Logan, Head of Legal and Regulatory Support
Jane Fowler, Head of Customer Support Services
Jane Jarvie, Communications Manager
Laurence Slavin, Interim Head of Financial Services
Anne MacDougall, Interim Head of Financial Services
Fergus Murray, Head of Development and Economic Growth
Patricia O'Neill, Governance Manager

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Donald Kelly.

2. DECLARATIONS OF INTEREST

Councillor Graham Archibald Hardie declared a non-financial interest in item 5 of the Agenda (Budgeting Pack 2021/22) by virtue of his appointment by the Council to the Live Argyll Board. He claimed the dispensation contained at Section 5.18 (2) of the Councillors Code of Conduct to allow him to remain in the meeting and to speak and vote on this item of Business.

Councillor Jim Findlay declared a non-financial interest in item 5 of the Agenda (Budgeting Pack 2021/22) by virtue of his appointment to the Rothesay Pavilion Board. He claimed

the dispensation contained at Section 5.18 (2) of the Councillors Code of Conduct to allow him to remain in the meeting and to speak and vote on this item of Business.

Councillor Jim Anderson declared a non-financial interest in item 5 of the Agenda (Budgeting Pack 2021/22) by virtue of his appointment by the Council to the Live Argyll Board and by virtue of his appointment to the Board of CHARTS. He claimed the dispensation contained at Section 5.18 (2) of the Councillors Code of Conduct to allow him to remain in the meeting and to speak and vote on this item of Business.

Councillor Jim Lynch declared a non-financial interest in item 5 of the Agenda (Budgeting Pack 2021/22) by virtue of his appointment by the Council to the Live Argyll Board. He claimed the dispensation contained at Section 5.18 (2) of the Councillors Code of Conduct to allow him to remain in the meeting and to speak and vote on this item of Business.

3. MINUTES

The Minutes of the Meeting of Argyll and Bute Council held on 26 November 2020 were approved as a correct record.

4. MINUTES OF COMMITTEES

(a) Environment, Development and Infrastructure Committee of 3 December 2020

The Minutes of the Meeting of the Environment, Development and Infrastructure Committee held on 3 December 2020 were noted.

(b) Community Services Committee of 8 December 2020

The Minutes of the Meeting of the Community Services Committee held on 8 December 2020 were noted.

(c) Policy and Resources Committee of 10 December 2020

The Minutes of the Meeting of the Policy and Resources Committee held on 10 December 2020 were noted.

Arising from item 4 (Financial Reports Monitoring Pack – 31 October 2020) the Council approved the revenue virements over £0.200m during September and October.

Arising from item 8 (Draft Service Plans 2021/22) the Council noted that this recommendation would be picked up as part of the consideration of the Budgeting Pack 2021/22.

Arising from item 9 (Procurement Strategy 2021/22 and Sustainable Procurement Policy 2021/22 – Final Documents and Consultation) the Council agreed the revised final Procurement Strategy 2021/22 and Sustainable Procurement Policy 2021/22 be published on the Council's website in April 2021.

Arising from item 10 (ICT and Digital Strategy 2021-2021) the Council approved the ICT and Digital Strategy for 2021-24.

Arising from item 11 (Pension Discretions Policy under the Local Government Pension Scheme (Scotland) Regulations 2018) the Council approved the proposed amendments to the Pensions Discretions Policy.

Arising from item 12 (Proposed Space Flight Trials Competition at Machrihanish Airbase Community Company – Request for Funding) the Council approved the funding request for £26,985 from the Rural Resettlement Fund as its contribution to the Mach-21 National Spaceflight Education Conference and CanSat Competition.

Arising from item 15 (EU Exit: Charging Regime for Export health Certificates) the Council –

1. Noted that the existing charging model for export health certificates as detailed at 4.5 of the submitted report had been applied to EU Certification as of 1 January 2021.
2. Approved the new fee for attestations either based on the national fee, or in its absence, a local charge of £100 per attestation, plus full costs for recovery for additional interventions or inspections.

The Council noted that in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973, any discussion on the exempt appendix, contained at page 45 of the agenda pack, in relation to the following exempt minute item would require the exclusion of the press and public on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraphs 8&9 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

Arising from item 20 (Third Sector Recycling) the Council agreed the recommendations from the Policy and Resources Committee held on 10 December 2020 as contained within the exempt appendix at page 45 of the agenda pack.

(d) Policy and Resources Committee of 18 February 2021

The Minutes of the Meeting of the Policy and Resources Committee held on 18 February 2021 were noted.

Arising from item 4 (Financial Reports Monitoring pack – 31 December 2020) the Council approved the revenue virements over £0.200m during November and December.

Arising from item 5 (Budgeting Pack 2021/22) the Council noted that this would be dealt with as a substantive item at item 5 of the agenda.

Arising from item 6 (Treasury Management Strategy Statement and Annual Investment Strategy) the Council noted that this would be dealt with as a substantive item at item 6 of the agenda.

Arising from item 10 (Scottish Crown Estate Funding Proposals) the Council noted that the item would be dealt with as a substantive item at item 11 of the agenda.

5. BUDGETING PACK 2021/22

The Council considered the Revenue Budget and Capital Budget papers as contained within the budgeting pack, considered such other appropriate resolutions in relation to these papers and fixed the Council Tax for the year to 31 March 2022 which had been referred without recommendation by the Policy and Resources Committee held on 18 February 2021.

The Council resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and public to allow consideration of Appendix 9 to item 2(d) and Appendix 4 to item 3(a) of the Budgeting Pack 2021/22 on the grounds that they were likely to involve the disclosure of exempt information as defined in Paragraphs 6; and 8 & 9 respectively of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

Motion

In relation to Appendix 4 to item 3(a) of the Budgeting Pack 2021/22 -

Argyll & Bute Council notes with concern the contents of the report and agrees to pause this project until such time as officers have consulted / negotiated with current funding partners on the implications of cancelling this project so that any additional costs that the Council may face with regards to having to repay funding in part or full can be identified.

A further report should be brought to a future meeting of the Council with an update provided by officers on the consultation / negotiations with current funding partners so that the Council can then take an informed decision of this project.

Moved Councillor George Freeman, seconded Councillor Dougie Philand.

Amendment

That the Council considers this matter as part of the Budgeting Pack 2021/22.

Moved Councillor Gary Mulvaney, seconded Councillor Robin Currie.

As the meeting was being held on a virtual basis the vote required to be taken by calling the Roll and Members voted as follows –

Motion

Councillor George Freeman
Councillor Dougie Philand

Amendment

Councillor Jim Anderson
Councillor John Armour
Councillor Gordon Blair
Councillor Rory Colville
Councillor Robin Currie
Councillor Mary Jean Devon
Councillor Lorna Douglas
Councillor Jim Findlay
Councillor Audrey Forrest
Councillor Bobby Good
Councillor Kieron Green
Councillor Graham Hardie
Councillor Anne Horn
Councillor David Kinniburgh

Councillor Jim Lynch
Councillor Donnie MacMillan
Councillor Roddy McCuish
Councillor Julie McKenzie
Councillor Yvonne McNeilly
Councillor Jean Moffat
Councillor Barbara Morgan
Councillor Aileen Morton
Councillor Gary Mulvaney
Councillor Iain Shonny Paterson
Councillor Alastair Redman
Councillor Alan Reid
Councillor Elaine Robertson
Councillor Sandy Taylor
Councillor Richard Trail
Councillor Andrew Vennard

Decision

The Amendment was carried by 30 votes to 2 and the Council resolved accordingly.

The Press and Public were invited to re-join the meeting.

Councillor George Freeman left the meeting at this point.

Motion

Argyll and Bute Council:

- 1) Acknowledges and welcomes the contributions from our communities to the Council's budget planning consultation, noting that after taking into account feedback from the public, a number of savings proposals under consideration were not pursued.
- 2) Approves all service plans, subject to updating the budget figures in line with the budget agreed for 2021-22.
- 3) Approves the revenue estimates for 2021-22 and that consequently the local tax requirement estimated at £52.859m is funded from Council Tax. Approve the following rates and charges for the year, 2021-22:
 - a) Council Tax to be paid in respect of a chargeable dwelling in Band "D" of £1,367.73 representing a 0.00% increase.
 - b) Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 as amended.
 - c) Business Rates as determined by Scottish Ministers.
- 4) Approves the revenue budget for 2021-22 as set out in the Revenue Budget Overview Report and subject to the decisions outlined below and set out in the Administration's Budget Model provided at Appendix 1.
- 5) Approves a base allocation to the Health and Social Care Partnership of £62.211m for 2021-22. Approve indicative base allocations for 2022-23 and 2023-24 to be £62.211m.

The level of future years funding is subject to the level of Scottish Government funding and the Council's overall financial position in future years.

6) With reference to the HSCP request for a deferral of £1m of the £1.2m that is due to be paid in 2021-22, agrees this in principle, subject to the proviso that the amount to be deferred be reduced by the amount of any HSCP underspend in 2020-21.

7) Approves the 10% reduction to the Live Argyll Management Fee, resulting in a management fee in 2021-22 of £3.418m.

8)

a) Rejects the following policy savings options totalling £135,000:

- R&I 02 – flower bed planting- £30,000
- R&I 13 – grass cutting service specification - £100,000
- R&I 14 – fuel and utility sales - £5,000

b) Accepts all other policy savings options proposals (set out in Appendix 6 of the Revenue Budget Overview report) totalling £557,500.

c) Endorses the management/operational savings outlined in Appendix 5 of the Revenue Budget Overview report.

9) Agrees a total of £6.784m investments in Argyll and Bute's future, as set out in the Administration Budget Model in Appendix 1:

Investing in Argyll and Bute's Opportunities - £0.830m		
£500k	Staycation Argyll and Bute - Supporting recovery and renewal by maximising the potential for growth in Argyll and Bute's camping and campervan staycation market	Additional funds to be spent across 2021/22 and 2022/23 to support the delivery of a range of facilities across Argyll and Bute necessary to support camping and caravan staycations. This will include provision of additional waste disposal facilities to be available prior to the summer of 2021 and other facilities that will be informed by the Motorhome and Informal Camping Survey. Additional wardens to be employed over the period April to October 2021 to raise awareness in respect of camping responsibly.
£300k	Marketing Argyll and Bute as Scotland's premier staycation destination – targeted marketing and promotion activity to highlight Argyll and Bute's opportunities	In addition, £300k investment in marketing Argyll and Bute as Scotland's premier staycation destination, with funds to be spent across 2021/22 to 2023/24 to support bespoke tourism marketing initiatives in-house or as matched funding with partners. These staycation investments to be progressed as early as possible by the Executive Director with responsibility for Development and Infrastructure in consultation with the Council Leader, Depute Leader and Leader of the largest Opposition Group, who comprise the Covid-19

	for growth	Leadership Group.
£30k	Argyll and the Isles Tourism Co-operative	Awards £30,000 to Argyll and the Isles Tourism Co-operative for the current year, noting that any future provision will be considered subject to satisfactory delivery of agreed strategic outcomes in 2021/22.
Keeping Argyll and Bute Connected - £3.113m		
£2.613m	Roads	Building on investments made in previous years, provides an additional £2.613m to drive forward improvements and repairs to Argyll and Bute's network of roads in rural, remote, island and urban communities, bringing the overall Roads Reconstruction Budget to £10m for 2021/22;
£500k	Active Travel	In line with the council's agreed priorities, invests a further £0.5m in enhancing and improving footpaths and pavements in rural, remote, island and urban communities. This investment complements the current allocation of £400,000 in green transport and travel.
Sustaining Argyll and Bute's Future - £1.702m		
£892k	Recovery and Renewal Fund	Makes provision for future recovery, regeneration and renewal, as well as any future pressures which may arise following the Covid-19 pandemic through a dedicated Recovery and Renewal Fund. Proposals for use of this fund to be brought forward by officers to the Policy and Resources Committee. To include in the first instance options for maximising Argyll and Bute's potential as a green, connected staycation destination of choice, requesting that officers bring to the Environment, Development and Infrastructure Committee a report on use of external funding sources and other opportunities for improving the electric vehicle charging network. Should the distribution of the Scottish Government COVID funding be different to what has been estimated this will be reflected within the Recovery and Renewal Fund balance.
£600k	Climate Change Measures	Invests a further £600k in energy renewable projects for solar panels and Air Source heating which will reduce costs over a ten-year period and reduce carbon emissions. Together with the allocation of £500k last year, this comprises an investment fund of £1.1m in addition to the council's other funding of Climate Change-related activities.
£210k	Rural Growth Deal	Following the signing of the Heads of Terms Agreement for Argyll and Bute's Rural Growth Deal in February 2021 and, to secure maximum potential from this £70m investment in the region,

		invests additional funding to drive forward the progression of Argyll and Bute's Deal and to support the Deal's associated programme, business case development and project management.
Improving Opportunities for People and Communities - £1.042m		
£600K	Investing in the wellbeing of our young people – mental health and wellbeing resources and support for vulnerable children and families	Agrees to fund a package of measures to boost the wellbeing and build back the resilience of young people, in particular those most vulnerable, following the Covid-19 pandemic, including counselling and increased provision of childcare for children under three. Notes that the Scottish Government is yet to confirm details of funding for similar initiatives and, should our investment in children's wellbeing qualify for this funding, the balance will be re-allocated to the Recovery and Renewal Fund. Instructs the Executive Director with responsibility for Education to bring a report on proposals to the Community Services Committee.
£250k	Tackling Digital Exclusion Top Up Fund - to support people, businesses and communities to access improved digital connections for social and commercial opportunities	Establishes the Tackling Digital Exclusion Top Up Fund to support communities and in some cases individuals that are missing out on national programmes due to logistics and economies of scale. While vouchers are available from the UK and Scottish Governments in some cases these do not cover the full cost of infrastructure builds. Instructs the Executive Director with responsibility for Development and Economic Growth to bring a report outlining criteria for distribution to the EDI Committee in June.
£172k	Welfare Rights Support	As part of our focus on <i>Improving Opportunities for People and Communities</i> , agrees to provide additional resources to proactively support people experiencing poverty and hardship, by investing in two additional Welfare Rights support staff for two years.
£20k	Festive Parking	Agrees to suspend all off-street car parking charges across Argyll and Bute for the two-week period 11 th to 24 th December 2021 to encourage residents to support local shops in the lead up to Christmas.
Supporting Argyll and Bute's Culture - £96.7K		
£30k	Gaelic	Provision of funding for delivery and implementation of the council's Gaelic Language Plan in recognition of the contribution that Gaelic makes to economic growth and to the tourism sector, and to enable delivery of key activities within the plan which currently receive no

		revenue funding.
£66.7k	CHARTS	Awards £66,700 to CHArts to ensure that Argyll and Bute's culture, heritage and arts sector can make a contribution to our overall recovery and renewal.

10) Agrees total funding of £90,000 for Strategic Events and Festivals for 2022/23, in order that the application process can commence during 2021/22, and to be augmented by any underspend remaining from the current financial year.

11) Approves that the surplus on the revenue budget is used to contribute towards the funding gap identified within the current capital plan.

12) Approves that the Council exercises the principal repayment holiday flexibility to make £5.4m available to be directed towards Covid revenue and capital costs but that the use of this flexibility be replaced by the credit arrangements financial flexibility if the Scottish Government give permission for the repayment arrangements to be made on an annuity basis. If this is the case a report will be brought back to the full Council for determination.

13) Notes that the Council expects to receive £4.609m from the £259m non-recurring funding set aside by the Scottish Government for Covid-related expenditure. Notes that the Council also expects to receive £4.923m from the £275m non-recurring funding announced on 16th February and to be paid in 2020/21 and approves that this funding is earmarked at the end of 2020/21 to be fully used as part of the 2021/22 budget decisions. Further notes that the distribution of both funding streams has still to be confirmed.

14) Approves expenditure in relation to Covid, in addition to the investments outlined at 9), above, as follows:

a) Estimated Revenue Cost Pressures amounting to £5.101m as outlined in Appendix 8 to the Revenue Budget Overview Report

b) Capital Contract Cost Pressures amounting to £2.0m as outlined in the capital plan summary report.

c) Provision for Covid cost pressures beyond 2021-22 amounting to £2.5m.

d) Provision of £2.5m for capital contract increases as a result of Covid.

15) Approves the following in relation to fees and charges with effect from 1st April 2021 unless otherwise noted:

a) Approve the proposals for the fees and charges inflationary increase of 3% and approve the charges that are over and above inflation. Note that this would generate additional income of £0.334m in total.

b) Approve the changes proposed to the Social Work fees and charges.

c) Approve all other charges as noted within the Fees and Charges Schedule and the revised Private Landlord Registration fees as noted within the Supplementary Pack.

16) Agrees to the recommendations set out within paragraph 2.2 of appendix 9 to the revenue budget overview report (page 161 to 162 of the Budget Pack) and noted below:

- a) Approve a six-month extension to KRL's contract at a value of £114,000 with the recycling service in Kintyre being brought back in-house on 1st October 2021;
- b) Approve an increase to the base budget in 2021/22 of £73,837 and approve one-off costs of up to £208,000 in respect of the purchase of blue wheelie bins and TUPE costs.
- c) Approve an increase to the recurring base budget from 2022/23 of £75,837.

17) Notes the financial risks analysis.

18) Approves the contingency level for the General Fund balance at a level of 2% of net expenditure, equivalent to £5.032m and note the report on reserves and balances.

19) Notes that through the EQSEIA process, we have paid due regard to our duties under the Equality Act 2010, our associated Fairer Scotland Duty and the Islands Act. Notes that some of the savings proposals have an impact in some of areas, but this has been given due regard. There are no impacts identified through the EQSEIA process that show actual or potential unlawful discrimination.

20) Approves the capital plan as set out in Appendix 3 of the Capital Plan Summary Report and updated to reflect the provisions made in the Administration Budget Model at Appendix 1, and approves that the gap of £1.077m is funded from additional borrowing, with repayments commencing in 2022/23

21) Agrees to the recommendations set out within paragraphs 2.1 to 2.2, including sub-paragraphs, of appendix 4 to the capital plan summary report, to provide funding to support completion of outstanding works in relation to Rothesay Pavilion.

22) Approves the Corporate Asset Management Strategy.

23) Notes the Corporate Asset Management Plan and the Asset Group Summaries.

Appendix 1

Revenue Model

	21/22	22/23	23/24	24/25	25/26
	£000	£000	£000	£000	£000
Budget Surplus/(Gap) as per Budget Pack	3,080	(1,838)	(6,928)	(11,589)	(16,607)
Policy Options Rejected:					
R&I02 Stop provision of plant beds	(30)	(30)	(30)	(30)	(30)
R&I13 Reduce specification of grass cutting	(100)	(100)	(100)	(100)	(100)
R&I14 Fuel and Utility Sales	(5)	(5)	(5)	(5)	(5)
AITC – funding for 1 Year from General Fund Balance	30	30	30	0	0
Additional Loans Fund to Pay for Additional Borrowing to fund Capital Plan		(70)	(70)	(70)	(70)

Transfer to Capital Plan	(2,975)	0	0	0	0
Revised Budget Surplus/(Gap)	0	(2,013)	(7,103)	(11,794)	(16,812)

Use of COVID Funding

	£000	£000
COVID Expenditure:		
2021-22 Identified Cost Pressures	(5,101)	
2021-22 Identified Capital Cost Pressures	(2,000)	
Provision for COVID Cost Pressures beyond 2021-22	(2,500)	
Provision for Capital Contract increases as a result of COVID	(2,500)	
Staycation	(800)	
Tackling Digital Exclusion Top-Up Fund	(250)	
Welfare Rights Support	(172)	
Education to Support Young People	(600)	
CHARTS	(67)	
AITC	(30)	
Festive Parking	(20)	
Recovery, Regeneration and Renewal Fund	(892)	
		14,932
COVID Funding:		
Estimated Share of £259m funding announced on 25 January 2021	4,609	
Estimated Share of £275 funding announced on 16 February 2021	4,923	
Loans Fund Principal Repayment Holiday	5,400	
		14,932
COVID Funding Surplus/(Gap)		0

Capital Plan Model

	£000	£000
Gap on Capital Plan prior to red risk and cost pressures		(6,262)
Red Risks	(72)	
Significant Strategic Change Fund cost pressures	(1,162)	
		(1,234)
Revised Gap on Capital Plan after red risks and cost pressures		(7,496)
Additional Expenditure:		
Investment in Climate Change Measures	(600)	
Investment in Roads	(2,613)	
Investment in Active Travel	(500)	
		(3,713)
Additional Funding:		
Transfer from remaining balance in Significant	2,157	

Change Fund Earmarking		
Transfer from COVID funding	2,000	
Transfer from Unallocated General Fund	3,000	
Transferred from Revenue Surplus in 2021-22	2,975	
Funded via Additional Borrowing	1,077	
		11,209
Revised Capital Plan Surplus/(Gap)		0

Unallocated General Fund Balance

	£000	£000
Estimated Unallocated General Fund Balance as per Budget Pack as at 31 March 2021		3,669
Adjustment to ensure contingency amount remains at 2%	(2)	
Implementation of Gaelic Language Plan	(30)	
Rural Growth Deal Programme Office	(210)	
Transfer to Capital Plan	(3,000)	
		(3,242)
Estimated Revised Unallocated General Fund Balance as at 31 March 2021 (prior to Social Work advanced repayment)		427
HSCP Advance Repayment anticipated in 2020-21		1,000
Estimated Revised Unallocated General Fund Balance as at 31 March 2021 (after Social Work advanced repayment)		1,427

Moved Councillor Robin Currie, seconded Councillor Gary Mulvaney.

Amendment

The Council ...

- a. Notes the findings of the Council's Budget Planning consultation, having regard to the valued contribution of the citizens and organisations who took the time to share their views with the Council.
- b. Approves all service plans, subject to updating of the budget figures in line with the budget agreed for 2021-22.
- c. Notes that through the EQSEIA process, we have paid due regard to our duties under the Equality Act 2010, our associated Fairer Scotland Duty and the Islands Act. Note that some of the savings proposals have an impact in some of areas, but this has been given due regard. There are no impacts identified through the EQSEIA process that show actual or potential unlawful discrimination.

- d. Approves the revenue estimates for 2021-22 and that consequently the local tax requirement estimated at £52.859m is funded from Council Tax.
- e. Approves the following rates and charges for the year, 2021-22:
 - i. Council Tax to be paid in respect of a chargeable dwelling in Band “D” of £1,367.73 representing a 0.00% increase
 - ii. Council Tax to be paid in respect of a chargeable dwelling in each of the other valuation bands in accordance with Section 74(1) of the Local Government Finance Act 1992 as amended.
 - iii. Business Rates as determined by Scottish Ministers.

Revenue Expenditure

- f. Adopts as a base budget the revenue budget for 2021-22 as set out in the revenue budget overview report, subject to the following changes:
- g. Approves the policy savings options as outlined in Appendix 6 of the revenue budget overview report, subject to the following amendments:

Policy Savings		£000
R&I 02	Stop floral bed planting	30
R&I 13	Reduce grass cutting	100
ED 05	Review and reduce Clerical Support entitlement	76
<i>Rejected Savings Options</i>		206

- h. Awards a 2 year contract to KRL, as an alternative to bringing the service in-house, at a cost of £228,000 in 2021-22 and £220,000 in 2022-23, at a saving of £210.5k in 2021-22 and £15k in 2022-23 to those figures outlined within the budget pack.
- i. Approves a base allocation to the Health and Social Care Partnership of £62.211m for 2021-22. Approve indicative allocations base for 2022-23 and 2023-24 to be £62.211m. The level of future years funding is subject to the level of Scottish Government funding and the Council’s overall financial position in future years.
- j. Within reference to the HSCP request for a deferral of £1m of the £1.2m that is due to be paid in 2021-22, agrees this in principle, subject to the proviso that the amount to be deferred be reduced by the amount of any HSCP underspend in 2020-21.
- k. Approves the 10% reduction to the Live Argyll Management Fee, resulting in a management fee in 2021-22 of £3.418m.
- l. Approves funding of £0.030m per annum for AITC for a three year period (2021-22 to 2023-24) to support core costs.

- m. Approves that the surplus on the revenue budget is used to contribute towards the funding gap identified within the current capital plan.
- n. Approves that the Council exercises the principal repayment holiday flexibility to make £5.4m available to be directed towards COVID revenue and capital costs but that the use of this flexibility be replaced by the credit arrangements financial flexibility if the Scottish Government give permission for the repayment arrangements to be made on an annuity basis. If this is the case a report will be brought back to the next available Council meeting.
- o. Notes that the Council expect to receive £4.609m from the £259m non-recurring funding set aside by Scottish Government for COVID related expenditure. Note that the Council also expect to receive £4.923m from the £275m non-recurring funding announced on 16 February and to be paid in 2020-21 and approve that this funding is earmarked at the end of 2020-21 to be fully used as part of the 2021-22 budget decisions. Further note that the distribution on both funding streams has still to be confirmed.
- p. Approves expenditure in relation to COVID as follows:
 - i. Estimated revenue cost pressures amounting to £5.101m as outlined in Appendix 8 to the revenue budget overview report
 - ii. Capital contract cost pressures amounting to £2.0m as outlined in the capital plan summary report.
 - iii. Provision for COVID cost pressures beyond 2021-22 amounting to £2.5m.
 - iv. Provision of £2.5m for capital contract increases as a result of COVID.
 - v. Creation of a 2 year COVID Resilience Development Programme of £1.368m which makes provision for the recruitment of additional Council staff resources, funding support for communities and local advice agencies as described below, subject to reports from Officers to Committee as necessary:

	21-21	22-23	
Local Business Support	50	50	Additional staff for Business Gateway
Business Development	56	56	Additional staff for Economic Development
Town Centre Improvement	100	100	Additional funding for town centre improvements
Strategic Events and Festivals	100	100	Additional funding for events and festivals
Procurement	56	56	Additional staff for Procurement team
Supporting Communities Fund	100	100	Additional funding for community groups
Welfare Benefits	38	38	Additional staff for A&BC Welfare Rights
Debt, Money, Energy Advice	80	80	Funding in support of local advice agencies

Pupil Counselling Services	104	104	Additional staff for Pupil Counselling (Primary)
Total	684	684	
		1368	

These individual expenditure commitments being subject to review in the event of the receipt of Scottish Government monies targeted for the same purposes.

- vi. Agree the development of a network of basic servicing points across Argyll and Bute at an indicated cost of £120k, subject to a report from Officers which has regard to the findings of the Council's Motorhome Consultation, potential locations and sites for these service points and the use of Council facilities which might be adapted for these purposes.
- vii. Agree to the funding request from CHARTS for support funding of £66.7k in 2021-22.
- viii. Agrees the creation of a Recovery and Renewal Fund of £2.644m, with officers to bring forward proposals to Council together with business cases, as appropriate.
- q. Approve the following in relation to fees and charges with effect from 1 April 2021 unless otherwise noted:
 - i. Approve the proposals for the fees and charges inflationary increase of 3% and approve the charges that are over and above inflation. Note that this would generate additional income of £0.334m in total.
 - ii. Approve the changes proposed to the Social Work fees and charges. Approve all other charges as noted within the Fees and Charges Schedule and the revised private landlord registration fees as noted within the supplementary pack
- r. Note the financial risks analysis.
- s. Approve the contingency level for the General Fund balance at a level of 2% of net expenditure, equivalent to £5.030m and note the report on reserves and balances.
- t. Approve the capital plan as set out in Appendix 3 of the capital plan summary report and amended by this proposals and outline in the appendix, and approve that the gap of £254.5k is funded from the Unallocated General Fund.
- u. Agree to the recommendations set out within paragraphs 2.1 to 2.2 including sub-paragraphs of appendix 4 to the capital plan summary report.
- v. Approve the Corporate Asset Management Strategy.

w. Note the Corporate Asset Management Plan and the Asset Group Summaries.

Appendix

Revenue

	£000	£000
Revenue Budget Overview 2021-22 Surplus		3,080
Adjust to reflect rejected savings:		
R&I02 Stop floral bed planting	(30)	
R&I13 Reduce grass cutting	(100)	
ED05 Review and reduce Clerical Support entitlement	(76)	
		(206)
Agree KRL Contract – saving on budget pack figures		210.5
Adjusted Revenue Budget Surplus		3,084.5
Transfer to Capital Plan		(3,084.5)
Final Adjusted Revenue Budget Surplus		0

COVID Focus

	£000	£000
COVID Expenditure:		
2021-22 Identified Cost Pressures	(5,101)	
2021-22 Identified Capital Cost Pressures	(2,000)	
Provision for COVID Cost Pressures beyond 2021-22	(2,500)	
Provision for Capital Contract increases as a result of COVID	(2,500)	
Motorhome etc. Infrastructure	(120)	
CHARTS	(66.7)	
2021-23 COVID Resilience Development Programme	(1,368)	
Recovery and Renewal Fund	(2,644.3)	
		16,300
COVID Funding:		
Estimated Share of £259m funding announced on 25 January 2021	4,609	
Estimated Share of £275 funding announced on 16 February 2021	4,923	
Loans Fund Principal Repayment Holiday	5,400	
Transfer from Unallocated General Fund	1,368	
		16,300
COVID Funding Surplus/(Gap)		0

Capital Plan 2021-24

	£000	£000
Gap on Capital Plan prior to red risks and cost pressures as per budget pack		(6,262)
Red Risks Identified	(72)	
Significant Strategic Change Projects cost pressure	(1,162)	
		(1,234)
Revised Gap on Capital Plan after red risks and cost pressures as per budget pack		(7,496)
Additional Funding:		
2021-22 Capital Cost Pressure funded from COVID	2,000	
Significant Strategic Change Fund from Reserves	2,157	
Transfer from Revenue Budget Surplus	3,084.5	
Transfer from Unallocated General Fund	254.5	
		7,496
Revised Capital Plan Surplus/(Gap)		0

Reserves and Balances

	£000	£000
Unallocated General Fund Balance as per budget pack		3,669
Transfer to COVID Focus for 2021-23 COVID Resilience Development Programme	(1,368)	
Transfer to Capital Programme to fund the remaining gap	(254.5)	
		(1,622.5)
Revised Unallocated General Fund Balance		2,046.5

Moved Councillor Sandy Taylor, seconded Councillor Lorna Douglas.

The Provost requested the Section 95 Officer to confirm that the Motion and Amendment before the Council, containing budget proposals were competent and balanced. The Section 95 Officer confirmed this was the case.

As the meeting was being held on a virtual basis the vote required to be taken by calling the Roll and Members voted as follows –

Motion

Councillor Jim Anderson
 Councillor Rory Colville
 Councillor Robin Currie
 Councillor Mary Jean Devon

Amendment

Councillor John Armour
 Councillor Gordon Blair
 Councillor Lorna Douglas
 Councillor Jim Findlay

Councillor Bobby Good
Councillor Kieron Green
Councillor Graham Archibald Hardie
Councillor David Kinniburgh
Councillor Donnie MacMillan
Councillor Roddy McCuish
Councillor Sir Jamie McGrigor
Councillor Yvonne McNeilly
Councillor Barbara Morgan
Councillor Aileen Morton
Councillor Gary Mulvaney
Councillor Alastair Redman
Councillor Alan Reid
Councillor Elaine Robertson
Councillor Andrew Vennard

Councillor Audrey Forrest
Councillor Anne Horn
Councillor Jim Lynch
Councillor Julie McKenzie
Councillor Jean Moffat
Councillor Iain Shonny Paterson
Councillor Dougie Philand
Councillor Sandy Taylor
Councillor Richard Trail

Decision

The Motion was carried by 19 votes to 13 and the Council resolved accordingly.

(Reference: Budgeting Pack 2021/22 dated 18 February 2021 and Supplementary Packs 1, 2 and 3; submitted)

Margaret Anderson left the meeting at this point.

6. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY

The Council gave consideration to a report which sought approval of the proposed Treasury Management Strategy Statement and Annual Investment Strategy which set out the Council's Strategy for borrowing and investment for the forthcoming year. The report also set out the policy for the repayment of loans fund advances for 2021-22 which had been referred without recommendation by the Policy and Resources Committee held on 18 February 2021.

Decision

The Council:-

1. Approved the proposed Treasury Management Strategy Statement and Annual Investment Strategy and the indicators contained within and noted that the figures within the Strategy will be updated to reflect the budget decisions agreed at Council.
2. Approved the continued use of the asset life method for the repayment of loan fund advances using a 5.1% annuity interest rate, with the exception of spend to save schemes where the funding/income profile method could be used.
3. Approved the proposed asset repayment periods as detailed within section 2.6 of the Treasury Management Strategy Statement.
4. Approved the ability to continue to use countries with a sovereign rating of AA- and above, as recommended by Link Asset Services.

(Reference: Report by Section 95 Officer dated 8 February 2021, submitted)

7. POLITICAL MANAGEMENT ARRANGEMENTS

The Council gave consideration to a report advising of a change to the political composition of the Council following written notification that Councillor Roderick McCuish was now a member of the Independence for Scotland political party, and confirmation of Councillor Robin Currie as Leader of the Argyll, Lomond and the Islands Group. The report also invited the Council to approve a change to the members nominated by the Council to serve on the Board of Live Argyll, following a change in Shadow Policy Lead roles.

The Executive Director advised of a typographical error in that the initials for the Independence for Scotland Party should actually be ISP.

Decision

The Council –

1. Noted the updated Political Composition of Argyll and Bute Council attached at Appendix 1 to the submitted report.
2. Agreed to appoint Councillor Audrey Forrest to replace Councillor Jim Lynch on the Live Argyll Board.

(Reference: Report by Executive Director with responsibility for Legal and Regulatory Support dated 11 January 2021, submitted)

8. EXTENSION OF CERTAIN TEMPORARY DEPARTURES FROM THE SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS IN ARGYLL AND BUTE

In response to the Covid 19 pandemic the Business Continuity Committee had previously considered and approved a number of temporary departures from the Scheme for the Establishment of Community Councils in light of the Covid-19 pandemic to facilitate Community Council's in continuing to fulfil the important role of representing and supporting local communities during the pandemic. The Council gave consideration to a report providing an update on the temporary departures and proposing a further extension. The report also sought approval of a further temporary departure with regards to the timescales and arrangements for AGMs.

Decision

The Council –

1. Approved the following temporary departures from the Scheme for the Establishment of Community Councils:
 - a) That where possible the 2021 AGMs take place on a remote basis or are otherwise held by 31st December 2021 with automatic approval for office bearers to retain positions held for 8 years or more without seeking approval from the Executive Director.

- b) That the minimum number of meetings per annum continue to be set aside for 2021, on the understanding that regular patterns of meetings will recommence when current government restrictions on public gatherings are lifted.
 - c) That community councils able to meet remotely continue to do so with the expectation that they have put in place consultative measures to engage with their communities and that where unable to meet remotely, they continue to be in a position to reach consensus views by email until such time as the restrictions on public health are lifted. This is on the basis that such decisions or actions detail where community views cannot be obtained and that this is reflected in any responses submitted and that the Community Council Liaison Officer (CCLO) must be informed of any decisions made on this basis.
2. Agreed that that the maximum membership of co-optees revert back with immediate effect to the level of 1/3, as set out within the Scheme, in view of the by-elections having taken place in November 2020.
 3. Noted that the National Scheme for the Establishment of Community Councils is currently being reviewed to include provision for all community council meetings to take place remotely and any subsequent review of our Scheme will take account of any recommendations in this regard.

(Reference: Report by Executive Director with responsibility for Legal and Regulatory Support dated 15 January 2021, submitted)

9. EDUCATION (SCOTLAND) ACT 2016 - APPOINTMENT OF CHIEF EDUCATION OFFICER

The Council gave consideration to a report advising on the appointment of a Chief Education Officer for Argyll and Bute Council, following the retirement of Anne Paterson, OBE.

Decision

The Council noted the appointment of Louise Connor as Chief Education Officer for Argyll and Bute Council.

(Reference: Report by Executive Director with responsibility for Education dated January 2021, submitted)

10. CHIEF OFFICER RECRUITMENT AND ASSOCIATED MATTERS

The Council gave consideration to a report inviting the establishment of an Appointments Panel for the Head of Financial Services. The report also invited the Council to note the progress in relation to four other Chief Officer positions.

Decision

The Council –

1. Appointed the Leader and Depute Leader as substantive members from the Administration with Councillor Aileen Morton and Councillor Andrew Vennard as substitute members; and appointed Councillor Sandy Taylor from the Opposition with

Councillor Jim Findlay as a substitute member, to the Appointments Panel for the Head of Financial Services

2. Agreed the appointment of Kirsty Flanagan as the Council's Chief Financial Officer in terms of paragraph 4.4.3 of the submitted report.
3. Noted the recruitment for the position of HSCP Chief Officer was moving forward.
4. Noted the Appointment Panel for the position of the Head of Education, Lifelong Learning and Support had been agreed and was moving forward.
5. Noted that the Appointment Panel for the Head of Children and Families, and HSCP Head of Finance and Transformation had been agreed.

(Reference: Report by Executive Director with responsibility for Customer Support Services dated 25 February 2021, submitted)

The Council resolved in terms of Section 50(A)(4) of the Local Government (Scotland) Act 1973 to exclude the press and public for the following item of business on the grounds that it was likely to involve the disclosure of exempt information as defined in Paragraph 6 of Part 1 of Schedule 7A to the Local Government (Scotland) Act 1973.

11. SCOTTISH CROWN ESTATE FUNDING PROPOSALS

The Council gave consideration to a recommendation from the Policy and Resources Committee held on 18 February 2021 in respect of proposals for the use of Scottish Crown Estate funding received within financial year 2020-21.

Decision

The Council agreed that Crown Estate funding as specified be allocated to the projects identified within paragraphs 4.2.2 to 4.2.16 of the submitted report as per the recommendation by the Policy and Resources Committee.

(Reference: Recommendation from Policy and Resources Committee held on 18 February 2021 and report by Executive Director with responsibility for Development and Economic Growth dated 16 February 2021, submitted)